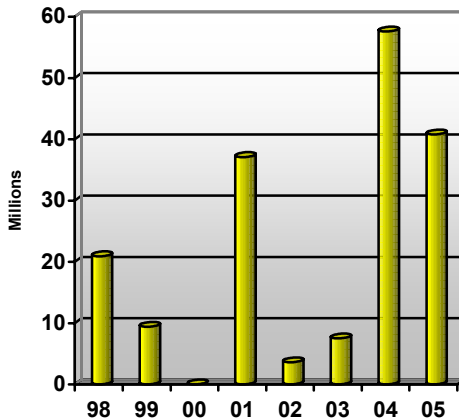


Debt Summary

The County's outstanding debt, which includes general obligation (G.O.) bonds, Public Works Trust Fund loans, and Revenue Bonds totals \$197.6 million on January 1, 2005.

Bond Sale Proceeds by Year



Overview

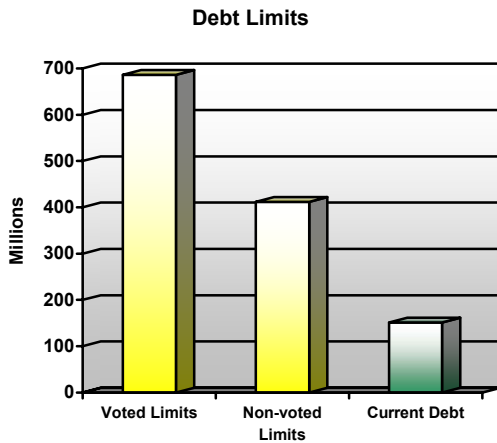
Clark County periodically issues debt to finance large capital projects. These purchases may involve the purchase of land, the construction of buildings or other improvements, or the development of a major system. The graph to the left shows the actual amount of bonds issued from 1998 through 2004, and proceeds expected in 2005.

The table (below) shows the amount of debt outstanding at the beginning of the year, anticipated debt retirement and new planned debt, and the projected debt position of the County on December 31, 2006, the end of the current biennium. Debt is categorized according to the project or purchase for which it was incurred.

Outstanding Debt, 1-1-05 to 12-31-06 (Thousands)				
	Jan-05 Balance	Retired Debt	New Debt	Dec-06 Balance
General Obligation Debt				
Fairgrounds Site Improvements	443	443	-	-
Exhibition Hall	18,090	135	-	17,955
Facilities-Energy Savings Devices	2,242	316	-	1,926
Sanitary Wastewater Construction	147	147	-	-
Parks	1,375	560	-	815
Pepsi Building-Warehouse Space	2,975	135	-	2,840
Assessor/Treasurer computer system	5,255	915	-	4,340
VHA Low Income Housing	1,920	455	-	1,465
Courthouse Remodel	222	222	-	-
Jail Remodel	168	168	-	-
Conservation Futures Projects	19,815	2,365	-	17,450
Jail Work Center	8,050	1,040	-	7,010
800 MHZ Communication System	4,965	2,840	-	2,125
CRESA Building (911 Tax)	2,230	845	-	1,385
Juvenile Expansion	7,970	840	-	7,130
Campus Development	37,040	265	-	36,775
Center for Community Health	23,335	290	-	23,045
Community Development Remodel	3,030	95	-	2,935
CAD/800 Mhz System Replacement	2,225	505	-	1,720
General Equipment	70	10	-	60
Fire/Safety Facility	2,505	235	-	2,270
Tri-Mountain Golf Course	7,380	425	-	6,955
Total General Obligation Debt	151,452	13,251	-	138,201
Other Debt				
Sanitary Wastewater Loans	1,876	574	-	1,302
Sanitary Wastewater Revenue	35,335	4,910	36,936	67,361
Roads-PWTF Loans	8,872	1,373	3,856	11,355
Railroad Loans	53	27	-	26
Total Other Debt	46,136	6,884	40,792	80,044
Total County Debt	197,588	20,135	40,792	218,245

As shown in the table, the total amount of outstanding debt is expected to decrease \$20.6 million during the 2005/2006 biennium. General obligation debt will be reduced \$13.2 million, while other debt will increase by \$33.9 principally to finance the Sanitary Wastewater expansion project.

The 2005/2006 revenue forecast assumes that revenue bonds will be issued during the biennium for the next phase in the expansion of the sewer treatment plant and for state public works trust fund loans for county road projects.



Debt Limit & Carrying Capacity

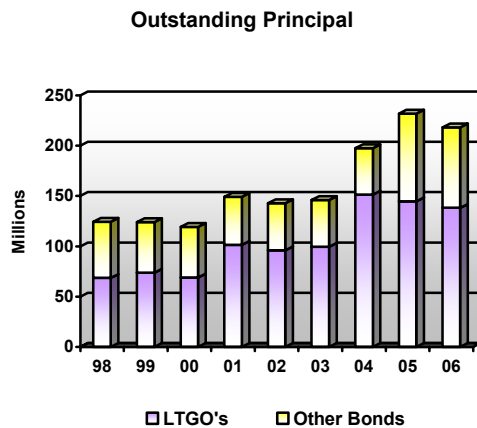
Washington State law limits the amount of general obligation debt counties may incur. Without an authorizing vote of the citizens, a county may not incur general obligation debt exceeding 1.5 percent of the assessed value of the taxable property within the County. With a vote of its citizens, counties may incur general obligation debt up to 2.5 percent of its assessed taxable value. These limits apply to net general obligation debt, and exclude revenue bonds and other debts not backed by the full taxing authority of the County.

Clark County's assessed taxable value for 2003 is \$27.5 billion, which yields a non-voted debt limit of \$411.9 million and a voted limit of \$686.5 million. The County's existing general obligation debt totals \$151.4 million as of January 1, 2005, which is well below the non-voted debt limit. As a matter of financial policy, the County has set a goal to maintain debt service costs below 10 percent of external operating revenue. For 2005, the annual debt service payment will total approximately 4.9 percent of external operating revenues.

The County has used about one-third of its non-voted debt limit and debt service costs represent a limited share of total revenues. Overall, the County's debt position is very favorable. The County's bond rating is Moody's Aa3.

Debt History

Historically, Clark County has maintained a low outstanding principal balance. The County's outstanding principal will increase over 2005/2006 but should hold steady after that less annual reductions in principal payments.



Clark County's outstanding principal history since 1998 is displayed in the graph to the left. In 1998, total outstanding debt was \$124.3 million. Of that, \$68.6 million was general obligation debt. The 1998 balance included \$10.1 million in general obligation debt issued to pay for the expanding the Juvenile Justice Center and \$10.3 million for Conservation Futures, the acquisition of open space. The other bonds include \$46 million in revenue bonds for the sewer treatment plant expansion in 1996.

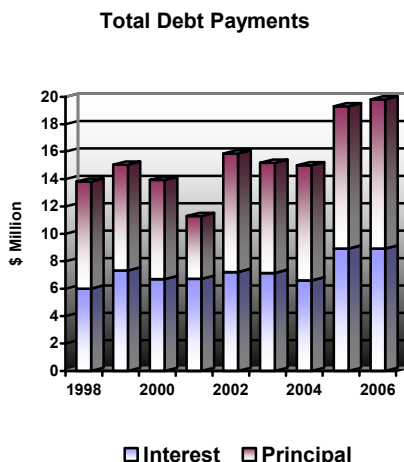
Additional debt of \$9.4 million was issued in 1999 to complete the Jail Work Center, replace the Treasurer's Remittance Processor, acquire Golf Course Equipment, and to construct a joint Fire/Public Safety Complex. In 2001, \$37 million in new general obligation bonds were issued for the County Campus Expansion, and an additional \$65 million in 2003 and 2004 principally for construction of a Center for Community Health building, Exhibition Hall, system replacements, open space, VA Housing, and building acquisitions.

Debt Payments

The amount of debt payments scheduled for 2005 and 2006 are \$19.3 million and \$19.8 million, respectively. The County's total annual debt payments since 1996 is displayed in the graph to the left, including the anticipated payments for 2003 and 2004.

Future Debt Plans

The County is currently planning the expansion of the sewer treatment plant to meet wholesale customer growth. It is anticipated that approximately \$37 million in revenue bonds will be issued in 2005 to meet this need. The annual debt service payments will be collected from the county's wholesale customers.



Staffing Analysis

Staffing (FTEs) by Function

Law & Justice.....	779.83
Public Works	260.00
General Government	177.95
Community Development.....	145.50
Public Health.....	143.55
Internal Support	129.35
Community Services	71.25
Fiscal Entities.....	12.05
Total Staff (FTEs)	1,719.48

This section presents a summary of general staffing trends, including the long-term rate of growth and the sources of this growth. The staffing analysis is included in the Financial Section of the document to acknowledge the clear link between staffing increases and the County's current and future operating budgets. Detailed information about staffing changes within individual departments appear in the Program Section. Finally, data on the staffing of specific departments appear in Appendix 2.

Clark County's 2005/2006 biennial budget includes 1,719.48 full-time equivalent (FTE) staff positions. The table to the left shows the allocation of these positions among the eight County functions that contain staff positions. As has been the case for the last five years, about half of all County staff are assigned to the Law & Justice function.

Change in Staffing from 99/00 to 05/06

In the six years from 99/00 to the end of the biennial budget, the total number of budgeted County staff positions have increased by 272 FTE, or about 2.9 percent per year. Without adding the Health Department in 2002, the growth in FTE's was 1.6 percent. The total population of the County grew by approximately 2.5 percent per year over the same period. The growth in total staff is closely related to the growth in total County population because most County programs are regional, meaning that they serve the entire County population. Still other programs provide direct support to the regional programs.

The paragraphs which follow provide a brief overview of departments that have experienced a significant increase in staffing and the reasons for the growth.

Health Department

Increase in Staffing from 99/00-05/06 ...	143.55 FTEs
Percent of Total FTE Increase..	53 percent

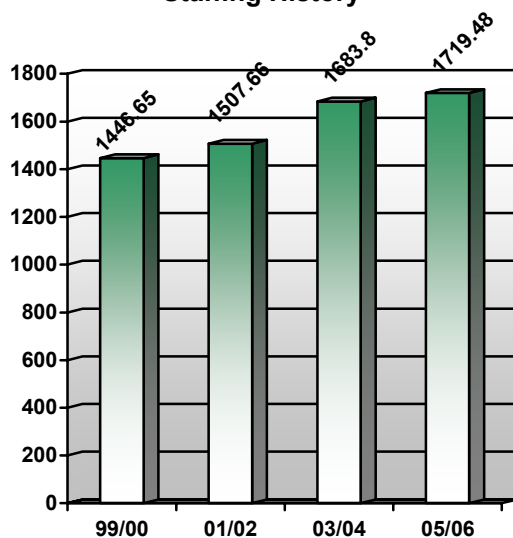
The Health Department accounts for the bulk of the increase since 99/00. The Health Department was formerly the Southwest Washington Health District governed by a regional board made up of local county and city commissioners and council members. In 2002, the governing board determined that consolidating the services under Clark County would improve service delivery and provide economies of scale. The increase in staffing reflects the change in governance (128 FTE's) and an increase in staffing (15.55 FTE's).

Community Development

Increase in Staffing from 99/00-05/06 ...	35.00 FTEs
Percent of Total FTE Increase..	13 percent

The Community Development department mostly has grown as a result of the State Growth Management Act and increased workload. Within the department, fifteen new building inspectors were added in response to increased construction activity and the balance added to Code Enforcement and Long-Range Planning.

Staffing History



Juvenile Services

Increase in Staffing from 97/98-03/04 ... 14.00 FTEs
Percent of Total FTE Increase.. 5 percent

Increases include the addition of detention staff needed to address growing inmate populations, implementation of the County's Special Intervention Program (SIP), and the addition of several grant-funded community supervision positions.

Facilities

Increase in Staffing from 99/00-05/06 ... 13.50 FTEs
Percent of Total FTE Increase.. 5 percent

The county has expanded the number of buildings that the Facilities Department maintains. Included in this expansion includes the Public Service Center (2002), Fairgrounds Exposition Center (2005) and Community Health Center (2005). The increase in staffing reflects the increase in demand placed on the Facilities Department.

Information Services

Increase in Staffing from 99/00-05/06 ... 12.00 FTEs
Percent of Total FTE Increase.. 4 percent

Information Services is responsible for the county's overall information technology requirements including desktops, network, hardware, and software. Information Services also provides services to the City of Vancouver. Approximately thirty percent of the activity is related to this contract. The increase in staffing represents converting contractual services to FTE's, additional support to the City of Vancouver, and converting former Health District employees to county employees.

Prosecuting Attorney

Increase in Staffing from 97/98-03/04 ... 12.00 FTEs
Percent of Total FTE Increase.. 4 percent

Changes include the hiring of an attorney and support staff for the eighth Superior Court judge in 2001, additional attorney and support staff for the ninth Superior Court judge in 2005, additional attorney and support for an additional District Court judge also in 2005. One additional attorney was added in 2003 to support Community Services and five positions in support of workload increases.

Other Staffing Increases

Increase in Staffing from 97/98-03/04 ... 42.79 FTEs
Percent of Total FTE Increase.. 16 percent

Other staffing increases are spread across a number of other departments such as Public Works, Community Services, and internal support.